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FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554

20 DEC 1993

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IN REPLY REFER TO:

Honorable Norman Sisisky  
House of Representatives  
2352 Rayburn House Office Bldg.  
Washington, DC 20515-4604

DEC 20 1993

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Dear Congressman Sisisky:

This responds to your letter of December 2, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314. Your constituent, Hunter Pultz of GTE Virginia, Inc., expresses support for a PCS licensing structure that ensures participation by local exchange carriers.

On September 23, 1993, the Commission adopted final rules to govern PCS. The Commission allocated 120 megahertz of spectrum for licensed PCS and local exchange carriers may apply for PCS licenses on the same basis as other applicants. Licensing areas are based upon Basic Trading Areas (BTAs) and Major Trading Areas (MTAs); 60 megahertz of spectrum were allocated for BTAs and 60 megahertz for MTAs. The allocation for MTAs is composed of two 30 megahertz frequency blocks, while the allocation for BTAs is composed of one 20 megahertz frequency block and four 10 megahertz frequency blocks.

Consistent with the Omnibus Reconciliation Act, in a companion Notice of Proposed Rule Making, PP Docket No. 93-253, the Commission proposed to award PCS licenses by competitive bidding. The Commission also proposed licensing preferences in one 20 megahertz frequency block and one 10 megahertz frequency block for rural telephone companies, small businesses, and businesses owned by minorities and women.

The Commission's decisions addressing PCS are designed to foster competition among PCS providers and between PCS providers and cellular radio operators and to ensure expeditious provision of PCS in both urban and rural areas. I am enclosing the press releases for the dockets addressed above that more fully describe the Commission's actions.

Sincerely,



Thomas P. Stanley  
Chief Engineer

Enclosures

NORMAN SISISKY  
4TH DISTRICT, VIRGINIA

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*90-314*  
*4959*

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December 2, 1993

Ms. Ellen Rafferty  
Congressional Liaison Specialist  
Federal Communications Commission  
1919 M Street, NW  
Washington, D. C. 20554

Dear Ms. Rafferty:

I have enclosed a copy of the correspondence I have received from Hunter Pultz of GTE Telephone Operations in Mechanicsville, Virginia.

Please examine the contents and answer the points raised.

Please respond to my staff at 2352 Rayburn House Office Building, Washington, DC, 20515.

Sincerely,

*Norman Sisisky*  
NORMAN SISISKY  
Member of Congress

NS/cp  
Enclosure



September 27, 1993

GTE Telephone Operations  
South Area

1380 Walnut Grove Road  
P.O. Box 900  
Mechanicsville, VA 22111  
Area 774-400

The Honorable Norman Sisisky  
U. S. House of Representatives  
2352 Rayburn House Office Building  
Washington, D. C. 20515

RE: Amendment of the Commission's Rules to  
Establish New Personal Communications  
Services - GEN Docket Nol. 90-314

Dear Rep. Sisisky:

My company, GTE Virginia, Inc., a local exchange carrier providing telephone exchange services in the State of Virginia, strongly urges the Commission to grant Personal Communications Service (PCS) licenses and set aside the requisite spectrum for exchange carriers to provide PCS in their respective local serving areas. Since exchange carriers are already obligated and organized to provide economical common carrier services to the general public, their provision of PCS could allow this new service to be widely and rapidly available. Moreover, their participation will facilitate the efficient use of resources of the local network which will support PCS as well as other new services, enabling alternative methods of local distribution and delivery of quality service to their customers.

The Commission has consistently taken the position that exchange carriers are exceptionally well-qualified to provide radio-based telecommunications services to local subscribers. Providing an opportunity for exchange carriers to deploy PCS in their own serving areas is fully consistent with the Commission's previous set-aside of cellular spectrum for wireline carriers due to their expertise and experience. Like cellular, exchange carriers are well qualified to provide PCS. They have the technical expertise, the resources, and the local distribution network necessary for rapid deployment, and at the lowest cost. Foreclosing their participation would thus eliminate experienced and capable exchange carriers from competing in their own service market and utilizing the economies in their networks.

It would also preclude PCS availability in rural areas where they presently serve. Indeed, the Congress in the Budget Reconciliation bill specifically mandated that the Commission shall "ensure that small businesses, rural telephone companies...be given the opportunity to participate in the provision of spectrum - based services and for such purposes consider the use of tax certificates and bidding preferences."

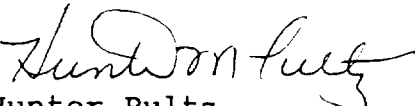
Exchange carrier participation in the provision of PCS in their own serving areas would realize the following potential benefits:

- ° First: PCS can help achieve the Commission's and the exchange carrier's universal service obligations.
- ° Second: PCS can offer exchange carriers the opportunity to expand and enhance radio-based services to rural and isolated areas.
- ° Third: exchange carrier participation can increase and complement utilization of the local network infrastructure, thereby increasing its efficiency.
- ° Fourth: some, even much of the local distribution infrastructure for PCS, including copper and fiber networks, digital central office switches and intelligent network capabilities is in place in the exchange carriers' own serving areas, and is ready to be used for PCS applications.
- ° Fifth: it will enable exchange carriers to offer new radio-based services to their customers and provide an incentive for them to give customers the greatest efficiency benefits from their existing and developing network infrastructure. In contrast, forcing exchange carriers outside their service areas will destroy any opportunity that an exchange carrier would promote synergies in its wired and wireless infrastructure.

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In sum, permitting the approximately 1300 exchange carriers to offer PCS inside their own serving areas would allow them to accommodate diverse geographic and customer requirements. Exchange carriers have the experience and capability to deploy the PCS expeditiously in a manner best suited to meet customer demands for increased mobility and portability. They have proven that they can work together to create and operate the current seamless telecommunications network through appropriate business arrangements. They could certainly do so with PCS given the same opportunity.

Respectfully submitted,

  
Hunter Pultz